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By: 

PATENT
Attorney Docket No.: 020375-002700US

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE BOARD OF PATENT APPEALS**

In re application of:

Terry Allen-Rouman et al.

Application No.: 09/516,209

Filed: February 29, 2000

For: Electronic Purchase Method And
Funds Transfer System

Customer No.: 20350

Confirmation No.: 1082

Examiner: Alain L. Bashore

Art Unit: 1762

APPELLANTS' REPLY BRIEF

Mail Stop Appeal Brief - Patents
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

Appellants offer this Reply Brief in response to the Examiner's Answer mailed May 12, 2006 ("Examiner's Answer"). The following remarks are intended to further focus the issues in this appeal.

I. ARGUMENT

A. Ground of Rejection I

This ground of rejection has been withdrawn. No further argument is presented.

B. Ground of Rejection II

Appellants offer the following additional argument supporting the withdrawal of Ground of Rejection II.

1. Independent Claims 14-18:

Teachings Missing from the Cited References

Claim 14 recites a step of "receiving purchaser information from a purchaser ... including identification of a purchaser account." Claim 14 further recites that "if the purchaser information is validated, electronically sending a digital IOU to the vendor." Doggett is cited for this proposition in Examiner's Answer (Examiner's Answer, p. 4, citing Doggett, Fig. 3; see also col. 7, ll. 39-64). The Examiner appears to state that the transmission, from payor to payee, of the instrument **74** in Doggett teaches both these steps.

However, the two distinct steps of the claim 14, one conditional upon the other, clearly are not taught by the single transmission of the instrument **74**. The transmission of Doggett, from the payor to payee, simply does not teach 1) receiving purchaser information from a purchaser (e.g., via the transmission from the payor), and 2) electronically sending a digital IOU *upon validating that received purchaser information from the payor* (See Original Application, p. 26, l. 14 - p. 27, l. 5). It is, instead, a single transmission of an instrument **74** - it does not suggest the consecutive steps of first "receiving purchaser information" *and* "if the purchaser information is validated, electronically sending a digital IOU" in a single transmission.

Motivation to Combine/Reasonable Likelihood of Success: Doggett and Kolling

The applicants rely on the arguments in their Appeal Brief filed March 3, 2006.

2. Claims 24-27

Claim 24 recites notifying the payor that the payment information is not valid. The Examiner cites Figure 7 of Kolling for teaching this limitation (Examiner's Answer, p. 5). In Figure 7 of Kolling, the NSF notice 46 corresponds to the arrows 8, 10, 12 from the Bank C back to the Biller, or payee, 14. Kolling, Fig. 7 and col. 20, lines 38-59. In contrast, the claim requires notifying the payor, not the payee. The notification in Kolling is, therefore, going in the wrong direction.

3. Claims 39-44

Teachings Missing from the Cited References

First Missing Limitation: Notifying the Payor that the Payment Information is Invalid

Claim 39, like claim 24, recites notifying the payor that the payment information is not valid. The Examiner cites Figure 7 of Kolling for teaching this limitation (Examiner's Answer, p. 5). In Figure 7 of Kolling, the NSF notice 46 corresponds to the arrows 8, 10, 12 from the Bank C back to the Biller or payee 14. Kolling, Fig. 7 and col. 20, lines 38-59. In contrast, the claim requires notifying the payor, not the payee - thus the notification in Kolling is going to the wrong party for the reference to be used to teach the claim limitation.

Second/Third Missing Limitations: Database with Purchaser and Vendor Information + Comparing Purchase and Payment Information Against the Database

Claim 39 requires the database that has purchaser information and vendor information. Claim 39 further requires comparing the purchase and payment information against a database. In the Examiner's Answer, as in the Office Action dated June 16, 2005 (Office Action"), the Examiner appears to make no argument as to how any of the references might teach

or suggest this limitation (Examiner's Answer, p. 5). The Appellants further rely on the arguments in their Appeal Brief filed March 3, 2006.

C. Ground of Rejection III

Appellants offer the following additional argument supporting the withdrawal of Ground of Rejection III.

1. Claims 29-33

The Examiner, in his Answer, appears to simply copy the arguments from the Office Action. In any event, there again appears to be no discussion in the Answer of the "requesting" and both "receiving" steps of claim 29. The applicants further rely on the arguments in their Appeal Brief filed March 3, 2006.

2. Claims 35-37

The Examiner, in his Answer, again appears to simply copy the arguments from the Office Action. There appears to be no discussion in the Answer of the "requesting" and both "receiving" steps of claim 35. The Appellants further rely on the arguments in their Appeal Brief filed March 3, 2006.

D. Ground of Rejection IV

Appellants rely on the arguments in their Appeal Brief filed March 3, 2006.

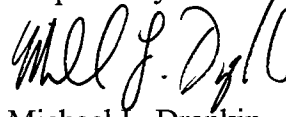
E. Ground of Rejection V

Appellants rely on the arguments in their Appeal Brief filed March 3, 2006.

CONCLUSION

Thus, for at least these reasons as well as the reasons stated in the Appellants' Appeal Brief filed March 3, 2006, which are hereby incorporated by reference, it is believed that the above claims are entitled to allowance. Appellants respectfully ask the Board to reverse each of the rejections of the Examiner.

Respectfully submitted,



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APPENDIX LIST OF PENDING CLAIMS

1-13. (Canceled)

14. (Previously Presented) A method for facilitating an electronic purchase using a funds transfer system, the method comprising steps of:

- receiving purchase information from a vendor, the purchase information including a purchase price;
- receiving purchaser information from a purchaser, the purchaser information including an identification of a purchaser account;
- validating the purchaser information, wherein:
 - if the purchaser information is validated, electronically sending a digital IOU to the vendor, and
 - the digital "I owe you" (IOU) is comprised of the purchase price;
- and
- redeeming the digital IOU.

15. (Previously Presented) The method of claim 14 wherein the step of redeeming the digital IOU further comprises steps of:

- receiving the digital IOU from the vendor;
- confirming the digital IOU;
- receiving funds from the purchaser account equal to the digital IOU into a funds transfer account; and
- transferring the funds to the vendor from the funds transfer account.

16. (Original) The method of claim 14 wherein if the purchaser information is not validated, sending a message to the purchaser that the electronic purchase is denied.

17. (Original) The method of claim 14 wherein if the purchaser information is not validated, further comprising a step for adding the purchaser to a purchaser database.

18. (Original) The method of claim 15 wherein the step for confirming the digital IOU comprises comparing a digital signature on the digital IOU to a signature log at a funds transfer system.

19-23. (Canceled)

24. (Previously Presented) A method for transferring funds from a payor to a payee as part of a checkout process, the method comprising steps of:

receiving payment information with a funds transfer system, the payment information including payee identification, payor identification and payment amount;

validating the payment information at the funds transfer system;

notifying the payor that the payment information is not valid if the validating step is unsuccessful; and

transferring funds from a payor account to a payee account through the funds transfer system if the payment information is validated.

25. (Previously Presented) The method for transferring funds from the payor to the payee as part of the checkout process as recited in claim 24, the method further comprising a step of notifying the payee of the funds transfer.

26. (Previously Presented) The method for transferring funds from the payor to the payee as part of the checkout process as recited in claim 24, wherein the step for validating the payment information comprises a step of checking the payor identification and the payee identification against a user database at the funds transfer system.

27. (Previously Presented) The method for transferring funds from the payor to the payee as part of the checkout process as recited in claim 26, wherein the user database includes account information for the payor and the payee.

28. (Canceled)

29. (Previously Presented) An electronic transaction method for transferring funds from a user account to a vendor account to compensate the vendor for a purchase selected by a user while accessing a vendor system online and after the user selects from the vendor system a payment option associated with a funds transfer system, the method comprising steps of:

establishing a connection from the funds transfer system to the user during checkout of the user with the vendor system, wherein the funds transfer system is separate from the vendor system;

receiving purchase data from the vendor system with the funds transfer system;

requesting validation from the user for the purchase;

receiving with the funds transfer system validation information from the user;

checking the validation information at the funds transfer system against a database; and

transferring funds from the user account to the funds transfer system if the step of checking the validation information is successful; and

transferring funds from the funds transfer system to the vendor account.

30. (Previously Presented) The electronic transaction method for transferring funds from the user account to the vendor account to compensate the vendor for the purchase selected by the user while accessing the vendor system online and after the user selects from the vendor system the payment option associated with the funds transfer system as recited in claim 29, further comprising a step of returning a message to the user denying the purchase if the step of checking the validation information is unsuccessful.

31. (Previously Presented) The electronic transaction method for transferring funds from the user account to the vendor account to compensate the vendor for the purchase selected by the user while accessing the vendor system online and after the user selects from the vendor system the payment option associated with the funds transfer system as recited in claim 29, further comprising a step of modifying account information in the database associated with the user if the step of checking the validation information is unsuccessful.

32. (Previously Presented) The electronic transaction method for transferring funds from the user account to the vendor account to compensate the vendor for the purchase selected by the user while accessing the vendor system online and after the user selects from the vendor system the payment option associated with the funds transfer system as recited in claim 29, wherein at least one of the user account and the vendor account is a bank account.

33. (Previously Presented) The electronic transaction method for transferring funds from the user account to the vendor account to compensate the vendor for the purchase selected by the user while accessing the vendor system online and after the user selects from the vendor system the payment option associated with the funds transfer system as recited in claim 29, wherein the user account is a credit card account.

34. (Canceled)

35. (Previously Presented) A method for authorizing an electronic purchase during checkout with a user and a vendor system, the method comprising the steps of:

- receiving purchase information from the vendor system, wherein the purchase information comprises a purchase price;
- requesting payment information from the user;
- receiving payment information from the user with funds transfer system;
- validating the payment information with the funds transfer system;
- crediting a vendor account in a first amount that corresponds to the purchase price if the step of validating payment information is successful; and
- debiting a user account a second amount that corresponds to the purchase price if the step of validating payment information is successful.

36. (Previously Presented) The method for authorizing the electronic purchase during checkout with the user and the vendor system as recited in claim 35, wherein the vendor account and/or the user account are bank accounts.

37. (Previously Presented) The method for authorizing the electronic purchase during checkout with the user and the vendor system as recited in claim 35, wherein the vendor account and/or the user account are credit card account.

38. (Previously Presented) A computer-readable medium having computer-executable instructions for performing the computer-implementable method for authorizing the electronic purchase during checkout with the user and the vendor system, the computer-readable medium comprising code for:

- receiving purchase information from the vendor system, wherein the purchase information comprises a purchase price;
- requesting payment information from the user;
- receiving payment information from the user with funds transfer system;
- validating the payment information with the funds transfer system;
- crediting a vendor account in a first amount that corresponds to the purchase price if the step of validating payment information is successful; and
- debiting a user account a second amount that corresponds to the purchase price if the step of validating payment information is successful.

39. (Previously Presented) A funds transfer system for paying a vendor in a transaction with a purchaser, wherein the vendor uses a vendor system and the purchaser uses a purchaser system during the transaction, the funds transfer system comprising:

- a first connection with a vendor system;
- a second connection with a purchaser system;
- means for validating the transaction, wherein the purchase validation means comprises:
 - a machine readable medium having a database comprising purchaser information and vendor information;
 - means for receiving purchase information from the vendor system;
 - means for receiving payment information from the purchaser system; and

means for comparing the payment information and the purchase information against the database;

means for electronically notifying the payor that the payment information is not valid if the transaction cannot be verified; and

means for paying the vendor for the purchase.

40. (Previously Presented) The funds transfer system for paying the vendor in the transaction with the purchaser as recited in claim 39, wherein:

the means for paying the vendor comprises a connection to an automated clearing house, and

the automated clearing house transfers funds from a purchaser account to a funds transfer account and from a funds transfer account to a vendor account.

41. (Previously Presented) The funds transfer system for paying the vendor in the transaction with the purchaser as recited in claim 39, wherein the purchase information is selected from the group consisting of vendor identification, name of goods and purchase price.

42. (Previously Presented) The funds transfer system for paying the vendor in the transaction with the purchaser as recited in claim 39, wherein the payment information is selected from the group consisting of financial information of the purchaser, purchaser identification, a password, a name, and an address.

43. (Previously Presented) The funds transfer system for paying the vendor in the transaction with the purchaser as recited in claim 39, wherein the means for receiving purchase information and the means for receiving payment information are a file transfer protocol connection over a network.

44. (Previously Presented) The method for transferring funds from the payor to the payee as part of the checkout process as recited in claim 24, wherein the transferring step comprises steps of:

transferring funds from the payor account to a funds transfer system account; and

transferring funds from the funds transfer system account to a payee account.

45. (Previously Presented) The method for transferring funds from the payor to the payee as part of the checkout process as recited in claim 24, wherein the funds are in at least one of the following forms: a gift certificate, a store credit, airline mileage credit, promotional points, foreign funds, and another currency.

46. (Previously Presented) The electronic transaction method for transferring funds from the user account to the vendor account to compensate the vendor for the purchase selected by the user while accessing the vendor system online and after the user selects from the vendor system the payment option associated with the funds transfer system as recited in claim 29, wherein the requesting step comprises steps of:

causing a pop-up window to be opened on a user machine; and
presenting the validation request in the pop-up window.